



Related Medlearn Matters Article #: MM3933

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### *Enforcement of Hospital Inpatient Bundling: Carrier Denial of Ambulance Claims During an Inpatient Stay*

#### Key Words

MM3933, CR3933, Ambulance, Psychiatric, Rehabilitation, Inpatient, LTCH, IPF, IRF, Remittance, Advice, Remark

#### Provider Types Affected

Independent ambulance services suppliers billing Medicare carriers

#### Key Points

- The effective date of the instruction: Ambulance claims received on or after January 3, 2006, and 4 years after initial determination for adjustments.
- Independent ambulance services suppliers cannot bill Medicare carriers for ambulance services that they provide to hospital inpatients (on or after December 31, 2004), unless the services are provided either:
  - On the dates of hospital admission and/or discharge; or
  - Through a prior arrangement with the hospital.
- Medicare carriers will reject any bill for ambulance services that are provided to a hospital inpatient on a date that falls between their admission and discharge dates.
- The independent supplier of ambulance services must look to the hospital, rather than to the Medicare beneficiary or carrier, for payment for these services.
- When Medicare rejects/adjusts an ambulance claim, the carrier will indicate, by using Remittance Advice Remark Code M2: "Not paid separately when the patient is an inpatient," that:
  - The ambulance transportation occurred during a hospital inpatient stay (on a date that falls within the admission and discharge dates of a covered hospital inpatient stay) and is not separately payable; or
  - The service date falls outside the occurrence span code 74 (non-covered level of care) from and through dates plus one day on a LTCH, IPF or IRF, and is not separately payable.

- The Medicare carrier will also indicate the adjustment using Remittance Advice (RA) Adjustment Reason Code 97, "Payment is included in the allowance for another service/procedure."
- There are exceptions for patients of Long-Term Care Hospitals (LTCHs), Inpatient Psychiatric Facilities (IPFs), or Inpatient Rehabilitation Facilities (IRFs).
- Specifically, these exceptions occur when inpatients of these facilities are transported by ambulance to an acute care hospital to receive specialized services and the service date falls within the occurrence span code 74 (non-covered level of care) from and through dates, plus one day, on a LTCH, IPF, or IRF bill.

### Important Links

<http://www.cms.hhs.gov/medlearn/matters/mmarticles/2005/MM3933.pdf>

[http://www.cms.hhs.gov/manuals/pm\\_trans/R622CP.pdf](http://www.cms.hhs.gov/manuals/pm_trans/R622CP.pdf)